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**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

-----X	:	
In re	:	Chapter 11
	:	
Dana Corporation, <i>et al.</i> ,	:	Case No. 06-10354 (BRL)
	:	
Debtors.	:	(Jointly Administered)
	:	
-----X	:	

**DECLARATION OF JONATHAN R. TERRELL**

Jonathan R. Terrell declares and states:

1. I am over eighteen years of age and competent to testify on the matters set forth in this declaration. I have personal knowledge of the facts set forth in this declaration.

## **Background and Experience**

2. I am currently the President of The Kenesis Group, LLC (“Kenesis”). Kenesis was founded in 2002 to provide a wide range of services to assist clients with their insurance-related liability management. We have helped many companies develop strategies related to the management of insurance assets and risk-transfer. Among the services that we provide are valuing insurance assets, determining how that insurance may cover certain risks, and assessing the credit risk of the associated insurance companies.

3. I received my B.A. degree from Newcastle University in England in 1984. I am a Fellow of the Institute of Chartered Accountants in England. After graduating, I worked in the accountancy practices of Price Waterhouse and Ernst & Young. After that, I served as a vice president in JPMorgan’s Capital Strategy and Quantitative Analysis Group. And before founding Kenesis, I was an executive vice president with Zurich Financial Services. At Zurich, I developed and was responsible for the Focused Strategies Group, a division that brought together engineers, attorneys, and financial analysts specializing in the valuation of complex insurance liabilities. I have extensive experience in the valuation of insurance assets and the allocation of insurance to cover a variety of risks, including exposure to asbestos.

## **Insurance Coverage and Allocation Services Provided to Dana**

4. Kenesis has periodically provided insurance analysis services to Dana at the direction of Dana’s in-house and outside insurance counsel. In March 2007, Kenesis prepared a report reviewing the availability of insurance coverage for estimated liabilities arising from pending and projected Asbestos Personal Injury Claims<sup>1</sup> filed or expected to be filed through

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<sup>1</sup> Capitalized terms not otherwise defined herein have the meanings given to them in the Debtors’ Third Amended Joint Plan of Reorganization.

2021. The analysis was based on data from Navigant Consulting estimating the costs related to those claims.

5. Dana, along with a number of its insurers, is a signatory to the Agreement Concerning Asbestos-Related Claims dated June 19, 1985 (the so-called “Wellington Agreement”). It has other coverage-in-place agreements with a number of its insurers that were not signatories to the Wellington Agreement. Under the Wellington Agreement and the other coverage-in-place agreements, Dana and the insurers have agreed that Asbestos Personal Injury Claims are covered by the insurers’ policies and have established the way in which those claims will be processed and paid. The pending and projected costs were allocated to Dana’s available insurance coverage in a manner consistent with those agreements. Kenesis analyzed the allocation results to determine recoverability of the allocated amounts, taking into consideration existence of coverage-in-place agreements, commutations, insolvencies, and retrospective premium information. Based on the agreements and its knowledge of insurers’ practices under the Wellington Agreement, Kenesis treated the liability allocated to policies written by carriers subject to the Wellington Agreement or other coverage-in-place agreements as recoverable. Because policies subject to these coverage-in-place agreements affect over 74% of Dana’s insurance program, we assumed that the insurers who have not yet entered into agreements with Dana would respond on a similar basis.

6. The availability of commuted coverage was determined based on the specifics of the individual commutation agreements such that Dana is responsible for allocated amounts up to the value of the agreement or is responsible for all amounts allocated to the coverage at-issue. We also considered that certain insurance policies posed a risk that their coverage would not be available to Dana, because certain carriers that provided coverage to Dana are now insolvent or

are in insolvency proceedings. Where liability is allocated to London Market policies with insolvent participants, we assumed that the insurance would not be recoverable even though Dana will recover some portion of its coverage on claims against open insolvent estates through future payments. Per the Wellington Agreement, Dana is not responsible for amounts allocated to insolvent domestic carriers. Of Dana's domestic coverage that is remaining and available to pay on Asbestos Personal Injury Claims, we find that 74% is written by carriers with an A.M. Best rating of A- (Excellent) or above. Lastly, the analysis considers the effect that remaining retrospective premiums have on the recoverability of certain policies.

7. Last winter, Kenesis was provided with Navigant's report projecting a range of indemnity and defense costs for pending and future claims of between \$133 million and \$200 million. We were asked to estimate the amount of insurance Dana would recover for the \$133 million estimate plus \$8 million in estimated settled but unpaid claims. Based on the estimate of Dana's total asbestos liability for settled, pending, and future Asbestos Personal Injury Claims of \$141 million, Kenesis calculated that the amount recoverable from solvent, unexhausted, and non-commuted coverage would be \$71.9 million. We further estimated that \$10.5 million of Dana's share of the liability is due to remaining obligations related to the retrospective premiums. A copy of the Kenesis report is attached hereto as Exhibit A and is incorporated herein by reference.

8. Kenesis was recently asked to estimate Dana's insurance recovery using Navigant's \$200 million figure. Using the methodology applied last winter, and based on the \$200 million estimate of costs on claims filed through 2021 plus \$8 million in estimated settled but unpaid claims, we determined that Dana would recover approximately \$104 million. Kenesis recently was informed that Navigant had extended its estimate for future claims filed through

2049 and provided an estimate of \$295 million for pending, future, and settled but not paid claims under that scenario. Kenesis was asked to estimate Dana's insurance recovery using this figure. We determined that Dana would recover approximately \$145 million from insurance proceeds.

9. We were also recently provided with certain alternative assumptions regarding Dana's future asbestos exposure and were asked to assess the insurance coverage likely to be recoverable at those levels of estimated asbestos liability. We were asked to determine the recovery on those amounts on an aggregate basis. We determined that if Dana's estimated liability was \$447 million, its estimated insurance recovery would be approximately \$228 million, and if Dana's estimated liability was \$690 million, its estimated insurance recovery would be approximately \$449 million.

10. The numbers and calculations described in this Declaration are based on nominal dollars and have not been reduced to a net present value.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: December 6, 2007

  
\_\_\_\_\_  
Jonathan R. Terrell



DT 202.772.1943 DF 202.772.1944 E-Mail Address: [delagranti@kenesisgroup.com](mailto:delagranti@kenesisgroup.com)

March 1, 2007

Mike DeBacker, Esq.  
General Counsel  
Dana Corporation  
4500 Dorr St.  
Toledo, OH 43615

Re: Analysis of Insurance Recoverable on Asbestos Liability

Dear Mike:

1. Background and Qualifications

I am a Vice-President with The Kenesis Group, LLC ("Kenesis"), an insurance consulting firm that provides a wide array of financial, strategic and operational consulting services to assist clients in their insurance-related asset and liability management. Kenesis' offices are located at 1100 New York Ave, N.W., Suite 650 East, Washington, DC 20005. I have been retained by Dana Corporation ("Dana") to provide insurance analysis, which was performed by me or by employees of Kenesis under my direct supervision.

I have no financial interests in, nor am I an employee of, Dana.

I have over twenty years of economic and financial services experience, and have specific expertise in the insurance industry. At Kenesis, I advise clients on their insurance-related asset and liability management strategy and specialize in the complex allocation of long-tail liabilities, such as asbestos-related liabilities, to insurance coverage. Kenesis' clients include Fortune 500 companies and Kenesis has made numerous representations in asbestos-related proceedings.

Prior to joining Kenesis in 2002, I was a Senior Manager with Arthur Andersen, where for six years I was responsible for directing large insurance recovery projects on behalf of policyholders. In addition, I worked for five years as an economic consultant providing litigation support at the law firm of Hogan & Hartson. I have a bachelor of science degree in economics and masters degrees in economics and in international public policy.

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2. Scope of the Engagement

I was asked by Dana to review the availability of insurance coverage for pending and future asbestos product liabilities.

3. Assumptions

Navigant Consulting provided the estimated indemnity and defense costs paid from 2007 through 2026 for Dana's pending and future asbestos bodily injury claims. See Tab 1. These costs were allocated to Dana's insurance coverage using the following assumptions:

- The coverage block is extended immediately to June 1, 1985.
- Costs from 2007 through 2012 were allocated for each year. Costs for years 2013 through 2022 were combined in two-year intervals for ease of allocation, as were the final four years from 2023 through 2026.<sup>1</sup>

4. Allocation Model

Kenesis requested that Navigant Consulting ("Navigant") perform the allocations based on the above assumptions and on the following:

- Allocation assumptions pursuant to the Wellington Agreement.

REDACTED

- Information regarding Wellington non-signatory carriers with whom Dana has coverage-in-place agreements ("settled" or "paying" non-signatories).<sup>4</sup> See Tab 2.

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<sup>1</sup> The estimated defense to indemnity ratio for the years 2013 through 2026 is steady at 3:1.

REDACTED

<sup>4</sup> Allstate/Northbrook is allocated costs on a non-signatory basis: each insurer is allocated in proportion to its unexhausted days in the exposure period in the coverage block divided by the total number of unexhausted days in the exposure period in the coverage block. For the allocations to Allstate, absolute asbestos excluded policies, insolvent

(Continued ...)

- Post-6/1/1976 exhaustion of primary policies per Dana. See Tab 3. Also, partial exhaustion of Northbrook policy 63004653 per Dana's agreement with Allstate.

To run the allocations, Navigant used the current unbundled claims model that is used to allocate expenses for billing purposes.

Additional assumptions incorporated into the allocation model include:

- The percentage of claims that are outside of coverage and therefore are allocated to Dana. These percentages are based on exposure information available for claims that were pending as of June 30, 2006.
  - For example, for each dollar of costs, 0.156 cents is allocated to Dana because first exposure dates are assumed to fall outside of coverage.
- Exhaustion of policies in the current coverage block is based on remaining limits as of the November 2006 unbundled bill.

#### 5. Kenesis Review of Allocation to Coverage

Kenesis classified Dana's policies according to whether the carriers are signatory or paying non-signatory carriers, and further broke down the London policies into signatory (solvent) subscribers, commuted subscribers (Equitas and Excess) and insolvent subscribers.

Kenesis reviewed the allocation results for reasonableness and confirmed the assumptions used. Kenesis then classified the liability allocated to policies as follows:

- Liability allocated for which insurance is recoverable ("Paying"):
  - Signatory carriers (including solvent London subscribers)
  - Paying non-signatory carriers

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(... Continued)

policies and commuted policies (Home) are treated as available to the extent not exhausted. Allocations to AIG Group, Transport Indemnity and Northwestern National are done on the assumption that all insurers signed the Wellington Agreement. For the allocations to these carriers, absolute asbestos excluded policies, insolvent policies and commuted policies (Home) are treated as uninsured periods.



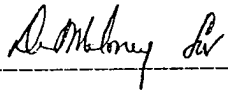
- Liability allocated for which insurance is not recoverable:
  - London insolvents (insolvent subscribers as of January 2007)<sup>5</sup>
  - Commuted (Equitas and Excess)
  - “Dana” claims falling outside of coverage (Producer)
  - Retrospective premium. See Tab 4 for the calculation of the retrospective premium payable by Dana. Retrospective premiums were calculated as follows:
    - Dana provided Kenesis with the remaining product aggregates on the post-1976 primary policies, as well as the remaining amounts on the retrospective premiums payable by Dana for the same primary policies. See Tab 3.
    - Navigant provided Kenesis with the amount of defense and indemnity costs allocated to each of the post-1976 primary policies. See Tab 4.
    - Kenesis determined whether the total allocation to each primary policy (“A: Total Allocation” in Tab 4) was greater than the amount of the remaining retrospective premium (“B: Remaining Retro Premium” in Tab 4). If not, then the total allocation (“A”) would be charged back to Dana (this amount appears in the “Dana” column in Tab 4). If the total amount allocated is greater than the amount that can be charged back to Dana in the form of retrospective premiums, then Hartford is expected to pay the difference between the total allocation and the remaining retrospective premium (this amount appears in the “Hartford” column of Tab 4).

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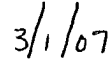
<sup>5</sup> The assumption that no amount will be recovered from insolvent London subscribers is a conservative one. In many cases where a subscriber is insolvent, a fixed percentage of a claim is paid. Additional monies may also be forthcoming from insolvent Schemes as payment against future claims, as the Schemes resolve their potential liabilities in an effort to close the Scheme.

6. Analysis of Insurance Recoverable on Asbestos Liability

Dana's total asbestos liability for pending and future claims is estimated to be \$141 million. Kenesis has calculated that, given the assumptions outlined above, the amount recoverable from solvent Wellington signatory carriers and non-signatory carriers with coverage-in-place agreements with Dana would be \$71.9 million (or 51% of Dana's total estimated \$141 million in indemnity and defense costs). See Tab 5 for a full analysis of Dana's expected recovery from insurance carriers.



Leslie Delagran  
Vice President  
The Kenesis Group, LLC



Date

<u>Attachment</u>	<u>Tab</u>
Asbestos-Related Liability for Pending & Future Claims	1
Non-Signatory Carriers with Coverage-in-Place Agreements	2
Policies Subject to Future Retrospective Premium Charges	3
Calculation of Retrospective Premium	4
Analysis of Insurance Recoverable	5
Resume of Leslie Delagran	6



Dana: Asbestos-Related Liability for Pending and Future Claims (\$ thousands)

Year	Pending*		Future*		Settled But Not Billed**		Total***		Cumulative Total		Defense % Total		Defense/Indemnity
	Indemnity	Defense	Indemnity	Defense	Indemnity	Total	Indemnity	Defense	Indemnity	Total	Indemnity	Total	
2007	\$602	\$3,909	\$380	\$2,469	\$2,849	\$4,511	\$5,954	\$6,379	\$12,333	\$12,333	51.7%		1.07
2008	\$3,195	\$18,889	\$1,027	\$6,075	\$7,103	\$22,084	\$7,123	\$24,964	\$32,087	\$44,420	77.8%		3.50
2009	\$2,064	\$11,003	\$1,168	\$6,226	\$7,394	\$13,067	\$3,232	\$17,229	\$20,461	\$64,881	84.2%		5.33
2010	\$1,135	\$5,390	\$1,271	\$6,033	\$7,303	\$6,526	\$2,406	\$11,423	\$13,829	\$78,710	82.6%		4.75
2011	\$684	\$2,851	\$1,246	\$5,190	\$6,436	\$3,535	\$1,930	\$8,040	\$9,971	\$88,681	80.6%		4.17
2012	\$702	\$2,515	\$1,244	\$4,458	\$5,703	\$3,217	\$1,946	\$6,973	\$8,920	\$97,601	78.2%		3.58
2013-14	\$0	\$0	\$2,409	\$7,227	\$9,636	\$0	\$2,409	\$7,227	\$9,636	\$107,237	75.0%		3.00
2015-16	\$0	\$0	\$2,285	\$6,854	\$9,139	\$0	\$2,285	\$6,854	\$9,139	\$116,375	75.0%		3.00
2017-18	\$0	\$0	\$2,150	\$6,451	\$8,601	\$0	\$2,150	\$6,451	\$8,601	\$124,976	75.0%		3.00
2019-20	\$0	\$0	\$2,017	\$6,051	\$8,068	\$0	\$2,017	\$6,051	\$8,068	\$133,044	75.0%		3.00
2021-22	\$0	\$0	\$1,613	\$4,838	\$6,451	\$0	\$1,613	\$4,838	\$6,451	\$139,495	75.0%		3.00
2023-26	\$0	\$0	\$343	\$1,028	\$1,370	\$0	\$343	\$1,028	\$1,370	\$140,865	75.0%		3.00
Total	\$8,383	\$44,557	\$17,153	\$62,899	\$80,052	\$52,940	\$33,408	\$107,457	\$140,865		76.3%		3.22

\* Source: DRAFT Projection of Dana Corporation's U.S. Asbestos-Related Liability for Future Claims, February 2007; R1 estimate.

\*\* Source: PACE, 12/31/2006 Total Indemnity Estimate for Unbilled Liability; spread per S. Chowdhury 2/6/2007.

\*\*\* Indemnity and defense costs for 2011 and 2012 do not add to total due to rounding.

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March 1, 2007

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**Dana Corporation**  
Non-Signatory Carriers with Coverage-in-Place Agreements

Carrier Name

AIU Insurance Company  
American Home Assurance Co.  
Granite State Insurance Co.  
Ins. Co. of the State of PA  
Lexington Insurance Company  
National Union Fire Ins. Co. of Pittsburgh, PA  
Northbrook Excess and Surplus Insurance Company  
Northbrook Insurance Company  
Northwestern National Ins. Co.  
Transport Indemnity Company





# Dana Corporation

Policies Subject to Future Retrospective Premium Charges

Carrier	Policy Number	Policy Period	Remaining Retrospective Premium <sup>1</sup>	Remaining Product Limits <sup>2</sup>
Associated Indemnity Corp.	LP2076894(C)	6/1/1976 - 6/1/1977	Closed; could be reopened	\$0
Associated Indemnity Corp.	LP2333135	6/1/1977 - 5/31/1978	Closed; could be reopened	\$0
Hartford Accident & Indemnity Company	35JPRP10003E	6/1/1978 - 6/1/1979	\$2,516,000	\$0
Hartford Accident & Indemnity Company	35JPRP10010E	6/1/1979 - 5/31/1980	\$5,826,000	\$542,000
Hartford Accident & Indemnity Company	35JPRP10020E	6/1/1980 - 6/1/1981	\$3,772,000	\$44,000
Hartford Accident & Indemnity Company	35JPRP10030E	6/1/1981 - 5/31/1982	\$7,718,000	\$1,013,000
Hartford Accident & Indemnity Company	35JPRP10041E	6/1/1982 - 5/31/1983	\$6,155,000	\$805,000
Hartford Accident & Indemnity Company	45JPRP10053E	6/1/1983 - 5/31/1984	\$6,340,000	\$387,000
Hartford Accident & Indemnity Company	45JPRP10071E	6/1/1984 - 5/31/1985	\$476,000	\$1,368,000
Hartford Accident & Indemnity Company	45JPRP10081E	6/1/1985 - 5/31/1986	\$3,751,000	\$1,379,000
Total			\$36,554,000	\$5,538,000

<sup>1</sup> As of November 2005 per D. Rowland Miller.

<sup>2</sup> As of November 2005 per D. Rowland Miller except 6/1/1978-6/1/1979 per D. Bennice January 25, 2007.

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March 1, 2007



Dana Corporation  
Calculation of Retrospective Premium\*

Carrier Name	Annual Period	Per Occ Limit	Previously Exhausted Aggregate	Remaining Limit	A: Total Allocation	Expected Pay Year	Indemnity	Defense	B: Remaining Retro Premium	Exhausted by Allocation? A>B?	Hartford	Dana
Associated Indemnity Corp.	1976			Exhausted per D. Rowland-Miller email of 6/20/2006								
Associated Indemnity Corp.	1977			Exhausted per D. Rowland-Miller email of 6/20/2006								
Hartford Accident & Indemnity Co.	1978			Exhausted per D. Bennice 1/25/2007								
Hartford Accident & Indemnity Co.	1979	\$2,000,000	\$1,458,000	\$542,000		2007	\$314,589	\$337,044		No		\$651,633
						2008	\$227,411	\$797,008				\$1,024,419
							<u>\$542,000</u>	<u>\$1,134,052</u>	\$5,826,000			<u>\$0</u>
												<u>\$1,676,052</u>
Hartford Accident & Indemnity Co.	1980	\$2,000,000	\$1,956,000	\$44,000		2007	\$44,000	\$47,141		No		\$91,141
							<u>\$44,000</u>	<u>\$47,141</u>	\$3,772,000			<u>\$91,141</u>
Hartford Accident & Indemnity Co.	1981	\$2,000,000	\$987,000	\$1,013,000		2007	\$316,564	\$339,161				\$655,725
						2008	\$378,718	\$1,327,295				\$1,706,014
						2009	\$171,840	\$916,038				\$1,087,878
						2010	\$127,923	\$607,342				\$735,265
						2011	\$17,954	\$74,792				\$92,746
							<u>\$1,013,000</u>	<u>\$3,264,629</u>	\$7,718,000	No		<u>\$0</u>
												<u>\$4,277,629</u>
Hartford Accident & Indemnity Co.	1982	\$2,000,000	\$1,195,000	\$805,000		2007	\$317,463	\$340,123				\$657,586
						2008	\$379,793	\$1,331,061				\$1,710,854
						2009	\$107,745	\$574,360				\$682,104
							<u>\$805,000</u>	<u>\$2,245,544</u>	\$6,155,000	No		<u>\$0</u>
												<u>\$3,050,544</u>
Hartford Accident & Indemnity Co.	1983	\$2,000,000	\$1,613,000	\$387,000		2007	\$319,722	\$342,544				\$662,267
						2008	\$67,278	\$235,788				\$303,066
							<u>\$387,000</u>	<u>\$578,332</u>	\$6,340,000	No		<u>\$0</u>
												<u>\$965,332</u>
Hartford Accident & Indemnity Co.	1984	\$2,500,000	\$1,132,000	\$1,368,000		2007	\$322,347	\$345,356				\$191,703
						2008	\$385,636	\$1,351,540				\$1,737,176
						2009	\$174,979	\$932,770				\$1,107,749
						2010	\$130,260	\$618,436				\$748,696
						2011	\$104,489	\$435,282				\$539,771
						2012	\$105,356	\$377,515				\$482,871
						2013 - 2014	\$123,861	\$371,583				\$495,444
						2015 - 2016	\$21,072	\$63,207				\$84,280
							<u>\$1,368,000</u>	<u>\$4,495,690</u>	\$476,000	Yes		<u>\$5,387,690</u>
												<u>\$476,000</u>
												<u>\$5,387,690</u>
												<u>\$10,536,698</u>
												<u>\$15,924,388</u>

\*H Rule does not apply, coverage block extended immediately to 6/1/1985.

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The Kenesis Group, LLC  
March 1, 2007



Dana Corporation:  
Allocation by Carrier Type\*  
(\$ in thousands)

Pay Year	Paying			Dana				Total	
	Signatory**	Paying Non-Sig	Total Paying	London Insolvents	Committed***	Dana****	Retro Premium*****	Total Dana	Total Cumulative
2007	\$2,244	\$2,082	\$4,327	\$634	\$4,159	\$19	\$3,194	\$8,006	\$12,333
2008	\$6,575	\$6,147	\$14,722	\$1,727	\$10,844	\$50	\$4,744	\$25,372	\$44,420
2009	\$6,095	\$4,625	\$10,720	\$1,079	\$6,860	\$32	\$1,770	\$35,113	\$64,861
2010	\$4,581	\$3,126	\$7,706	\$729	\$4,636	\$22	\$735	\$41,235	\$78,710
2011	\$3,411	\$2,367	\$5,778	\$620	\$3,464	\$16	\$93	\$45,427	\$88,680
2012	\$2,963	\$2,463	\$5,427	\$478	\$3,000	\$14	\$0	\$48,919	\$97,593
2013 - 2014	\$3,361	\$2,137	\$5,498	\$550	\$3,473	\$15	\$0	\$3,492	\$107,235
2015 - 2016	\$3,240	\$1,663	\$4,903	\$717	\$3,504	\$14	\$0	\$4,138	\$116,374
2017 - 2018	\$2,960	\$1,610	\$4,571	\$688	\$3,329	\$13	\$0	\$4,236	\$124,975
2019 - 2020	\$2,783	\$1,517	\$4,300	\$649	\$3,107	\$13	\$0	\$3,768	\$133,043
2021 - 2022	\$2,301	\$986	\$3,288	\$619	\$2,535	\$10	\$0	\$3,163	\$139,494
2023 - 2026	\$496	\$190	\$686	\$140	\$543	\$2	\$0	\$686	\$140,865
Total	\$43,010	\$28,914	\$71,924	\$8,731	\$49,453	\$220	\$10,537	\$68,941	\$140,865

\* H Rule does not apply; coverage block extended immediately to 6/1/1985.

\*\* Amount paid (if any) by primary carriers is included.

\*\*\* Equitas and Excess Insurance Company Limited.

\*\*\*\* Producer allocated - claims trigger outside of coverage.

\*\*\*\*\* Dana Retrospective Premium payable on 1976-1984 primary policies.

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The Kenesis Group, LLC  
March 1, 2007

Dana Corporation:  
Allocation by Carrier Type\*

Pay Year	Paying			Dana					Total Dana Cumulative	Total
	Signatory**	Paying Non-Sig	Total Paying	London Insolvents	Commuted**	Dana****	Retro Premium*****	Total Dana		
2007	18%	17%	35%	5%	34%	0%	26%	65%	65%	100%
2008	27%	19%	46%	5%	34%	0%	15%	54%	100%	100%
2009	30%	23%	52%	5%	34%	0%	9%	48%	100%	100%
2010	33%	23%	56%	5%	34%	0%	5%	44%	100%	100%
2011	34%	24%	58%	6%	35%	0%	1%	42%	100%	100%
2012	35%	28%	61%	5%	34%	0%	0%	39%	100%	100%
2013 - 2014	35%	22%	57%	7%	36%	0%	0%	43%	100%	100%
2015 - 2016	35%	18%	54%	8%	38%	0%	0%	46%	100%	100%
2017 - 2018	34%	19%	53%	8%	39%	0%	0%	47%	100%	100%
2019 - 2020	34%	19%	53%	8%	39%	0%	0%	47%	100%	100%
2021 - 2022	36%	15%	51%	10%	40%	0%	0%	49%	100%	100%
2023 - 2026	36%	14%	50%	10%	40%	0%	0%	50%	100%	100%
Percent of Total	31%	21%	51%	6%	35%	0%	7%	49%		100%

- \* H Rule does not apply; coverage block extended immediately to 6/1/1985.
- \*\* Amount paid (if any) by primary carriers is included.
- \*\*\* Equitas and Excess Insurance Company Limited.
- \*\*\*\* Producer allocated - claims trigger outside of coverage.
- \*\*\*\*\* Dana Retrospective Premium payable on 1976-1984 primary policies.

Privileged & Confidential

The Kenesis Group, LLC  
March 1, 2007

CONFIDENTIAL  
DANA-0050265

Dana Corporation:  
Allocation by Carrier\*

Carrier	2007	2008	2009	2010	2011	2012	2013-2014	2015-2016	2017-2018	2019-2020	2021-2022	2023-2026	Total	Status
CAL. UNION	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$392,004	\$454,511	\$434,191	\$347,271	\$73,804	\$1,701,782	Signatory
FIRST STATE	\$0	\$1,419,967	\$1,507,391	\$1,479,952	\$1,066,969	\$954,494	\$978,664	\$799,458	\$612,024	\$594,828	\$467,754	\$99,409	\$9,961,108	Signatory
LONDON	\$6,845,213	\$17,988,600	\$11,418,882	\$7,717,693	\$5,887,470	\$5,004,639	\$6,009,999	\$5,195,865	\$5,910,565	\$6,519,515	\$4,639,527	\$1,006,141	\$84,144,010	
NAT. UNION FIRE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,270	\$25,021	\$23,908	\$19,122	\$4,064	\$85,385	Paying Non-Sig
NORTH-BROOK	\$1,733,695	\$5,239,378	\$4,046,207	\$2,734,715	\$2,085,523	\$2,210,940	\$1,878,014	\$1,369,715	\$1,289,082	\$1,209,197	\$740,289	\$137,205	\$24,673,960	Paying Non-Sig
NORTH-WESTERN NAT'L INS	\$348,797	\$907,472	\$578,670	\$391,106	\$281,968	\$252,243	\$259,846	\$248,298	\$236,318	\$226,366	\$181,074	\$18,483	\$3,949,661	Paying Non-Sig
TRANSPORT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$31,853	\$60,061	\$57,388	\$45,900	\$9,755	\$204,958	Paying Non-Sig
THE HARTFORD	\$191,703	\$1,737,176	\$1,107,749	\$748,696	\$539,771	\$492,871	\$495,444	\$84,280	\$0	\$0	\$0	\$0	\$5,387,690	Signatory
THE HARTFORD: DANA RETROSPECTIVE PREMIUM	\$3,194,352	\$4,744,352	\$1,769,983	\$735,265	\$92,746	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,536,698	Dana
PRODUCER	\$19,240	\$50,056	\$31,919	\$21,573	\$15,653	\$13,914	\$15,032	\$14,257	\$13,418	\$12,586	\$10,064	\$2,139	\$219,750	Dana
TOTAL	\$12,333,000	\$32,087,000	\$20,461,000	\$13,829,000	\$9,970,000	\$8,919,000	\$8,636,000	\$9,139,000	\$8,601,000	\$8,068,000	\$6,451,000	\$1,371,000	\$140,865,000	

\*H Rule does not apply; coverage block extended immediately to 6/1/1985.

Privileged & Confidential

The Keness Group, LLC  
March 1, 2007

CONFIDENTIAL  
DANA-0050266

Dana Corporation:  
Allocation by Subscriber\*

Subscriber	2007	2008	2009	2010	2011	2012	2013-2014	2015-2016	2017-2018	2019-2020	2021-2022	2023-2024	Total	Status
Accident & Casualty	\$81,182	\$211,212	\$134,884	\$91,029	\$85,827	\$50,709	\$60,203	\$57,759	\$54,980	\$52,843	\$42,108	\$6,949	\$919,014	Signatory
Alia (Britanic)	\$72,485	\$190,538	\$126,248	\$85,327	\$81,517	\$55,032	\$56,903	\$55,462	\$53,986	\$50,341	\$40,448	\$8,554	\$881,799	Signatory
Alliant International	\$360	\$2,845	\$1,191	\$805	\$3,743	\$744	\$85	\$254	\$402	\$604	\$2,848	\$754	\$14,275	Signatory
American Home Assurance	\$3,382	\$8,798	\$5,610	\$3,792	\$2,734	\$2,446	\$2,505	\$2,404	\$2,289	\$2,191	\$1,752	\$372	\$38,275	Signatory
Andrew French	\$153,310	\$396,917	\$248,355	\$167,856	\$121,016	\$100,259	\$111,912	\$106,033	\$99,666	\$92,853	\$74,073	\$15,742	\$1,695,792	London Insolvency
Anglo	\$0	\$2,886	\$8,247	\$5,574	\$4,018	\$3,595	\$3,724	\$5,145	\$6,392	\$8,212	\$4,970	\$1,056	\$51,620	Signatory
Argonaut	\$44,952	\$116,953	\$74,578	\$50,405	\$36,339	\$32,509	\$33,328	\$31,975	\$30,439	\$28,140	\$23,307	\$4,953	\$508,876	Signatory
Babcock Fire Ins. Co.	\$12,338	\$32,095	\$20,466	\$13,832	\$9,972	\$8,921	\$9,214	\$8,826	\$8,389	\$8,093	\$6,474	\$1,376	\$139,993	Signatory
Belleville	\$1,416	\$3,688	\$2,352	\$1,590	\$1,146	\$1,025	\$1,823	\$26,105	\$24,888	\$23,778	\$19,018	\$4,042	\$127,952	London Insolvency
Bermude Fire & Marine	\$15,728	\$55,638	\$31,212	\$21,095	\$30,080	\$18,480	\$43,767	\$57,036	\$52,377	\$54,222	\$42,154	\$14,862	\$456,220	London Insolvency
Billegale	\$10,710	\$27,865	\$17,769	\$12,009	\$8,658	\$7,745	\$7,939	\$7,617	\$7,252	\$6,941	\$5,552	\$1,180	\$121,216	Signatory
British National Life Insurance Society	\$0	\$0	\$0	\$0	\$11,255	\$940	\$103	\$309	\$490	\$732	\$589	\$125	\$14,543	London Insolvency
Britany Ins. Co.	\$0	\$0	\$0	\$0	\$5,627	\$470	\$51	\$154	\$245	\$366	\$63	\$7,271	\$7,271	Signatory
Brynston	\$257	\$4,655	\$1,881	\$1,272	\$3,180	\$1,009	\$110	\$325	\$514	\$775	\$5,519	\$1,728	\$21,925	London Insolvency
C.F. and A.U.	\$88,575	\$230,448	\$146,951	\$99,320	\$71,604	\$64,056	\$68,407	\$63,580	\$60,382	\$30,451	\$24,012	\$5,103	\$950,651	Signatory
CNA Reinsurance of London	\$2,563	\$6,669	\$4,252	\$2,874	\$2,072	\$1,854	\$19,768	\$31,482	\$29,997	\$28,877	\$22,938	\$4,874	\$158,016	Signatory
Compagnie Europeenne d'Assurances Industrielles (CEAI)	\$77	\$1,458	\$565	\$382	\$1,180	\$322	\$35	\$104	\$164	\$247	\$1,790	\$522	\$6,845	Signatory
Dart	\$2,499	\$14,878	\$7,057	\$4,770	\$10,877	\$1,681	\$13,376	\$24,022	\$23,353	\$22,974	\$28,883	\$7,101	\$163,370	London Insolvency
Delta-Lloyd Non-Life	\$11,091	\$28,855	\$16,400	\$12,436	\$8,966	\$8,021	\$8,221	\$7,888	\$7,509	\$7,188	\$5,150	\$1,222	\$125,347	Signatory
Dominion	\$378,188	\$1,005,710	\$683,408	\$448,378	\$340,140	\$290,592	\$362,467	\$384,351	\$372,378	\$359,713	\$302,153	\$85,494	\$4,972,949	Signatory
Drake	\$2,195	\$5,710	\$3,841	\$2,461	\$1,774	\$1,587	\$1,646	\$1,575	\$1,496	\$1,376	\$929	\$134	\$21,643	Signatory
Edinburgh Assurance	\$129,758	\$340,209	\$233,302	\$150,923	\$108,808	\$97,338	\$100,837	\$97,917	\$94,510	\$86,717	\$69,312	\$14,731	\$1,514,162	Signatory
El Paso	\$257	\$4,854	\$1,881	\$1,271	\$4,423	\$1,113	\$121	\$359	\$588	\$856	\$5,984	\$1,742	\$23,428	London Insolvency
English American	\$83,477	\$266,452	\$185,100	\$118,334	\$83,477	\$62,291	\$79,370	\$82,371	\$84,145	\$83,253	\$65,823	\$19,945	\$1,306,348	London Insolvency
Equitas	\$4,004,504	\$10,337,864	\$6,593,087	\$4,556,077	\$3,333,493	\$2,884,043	\$3,341,773	\$3,371,696	\$3,200,678	\$2,986,982	\$2,439,010	\$522,871	\$47,572,048	Commuted
Excelsior Insurance Company Limited	\$154,629	\$405,668	\$266,873	\$180,372	\$130,039	\$116,331	\$131,118	\$132,596	\$127,982	\$118,538	\$95,272	\$20,311	\$1,881,025	Commuted
Friedland of Labor	\$12,338	\$32,095	\$20,466	\$13,832	\$9,972	\$8,921	\$9,214	\$8,826	\$8,389	\$8,093	\$6,474	\$1,376	\$139,993	Signatory
Highlands	\$27,053	\$70,385	\$44,883	\$30,335	\$21,870	\$19,564	\$20,043	\$19,233	\$18,312	\$17,524	\$14,016	\$2,979	\$308,199	Signatory
Hull Underwriters Assn.	\$1,219	\$3,172	\$2,023	\$1,367	\$986	\$882	\$914	\$875	\$831	\$813	\$650	\$138	\$13,871	London Insolvency
Le Concrete	\$53,745	\$139,829	\$89,165	\$60,264	\$43,447	\$38,887	\$39,986	\$38,335	\$36,488	\$34,992	\$27,989	\$5,946	\$609,017	Signatory
Levington	\$3,195	\$23,507	\$10,586	\$7,155	\$33,295	\$6,965	\$760	\$2,268	\$3,571	\$5,372	\$23,523	\$6,705	\$126,892	Signatory
London & Edinburgh	\$58,466	\$152,113	\$96,998	\$65,558	\$47,264	\$42,282	\$57,264	\$54,942	\$52,302	\$50,078	\$40,055	\$8,513	\$725,634	Signatory
London & Overseas	\$121,646	\$316,059	\$200,487	\$135,510	\$97,896	\$87,397	\$90,411	\$86,323	\$81,776	\$73,574	\$58,788	\$12,094	\$1,382,170	London Insolvency
Louisville	\$309	\$806	\$514	\$348	\$2,968	\$451	\$49	\$147	\$233	\$350	\$281	\$60	\$6,615	London Insolvency
Minster	\$20,444	\$53,189	\$33,917	\$22,924	\$16,527	\$14,785	\$15,270	\$13,902	\$13,902	\$13,412	\$10,728	\$2,280	\$322,004	Signatory
Mutual Reinsurance	\$4,280	\$18,673	\$9,720	\$6,569	\$8,810	\$4,577	\$54,247	\$73,847	\$70,714	\$68,128	\$66,035	\$14,456	\$308,056	London Insolvency
National Casualty	\$139,830	\$383,798	\$231,984	\$166,791	\$113,039	\$101,122	\$103,988	\$99,705	\$94,852	\$91,081	\$72,853	\$15,483	\$1,584,327	Signatory
New London Reinsurance	\$13,209	\$34,387	\$21,915	\$14,812	\$10,878	\$9,821	\$9,417	\$8,959	\$8,592	\$8,592	\$6,873	\$1,461	\$149,637	Signatory
North Atlantic Insurance Company Ltd.	\$1,918	\$11,073	\$5,299	\$3,582	\$2,582	\$2,310	\$252	\$745	\$1,177	\$1,775	\$9,108	\$2,818	\$42,439	London Insolvency
Orion T	\$29,525	\$78,816	\$48,984	\$33,107	\$23,868	\$21,352	\$22,136	\$21,187	\$20,121	\$10,150	\$8,004	\$1,701	\$316,996	London Insolvency
Orion Insurance Co. Ltd.	\$122,943	\$310,750	\$175,984	\$118,942	\$85,751	\$76,712	\$79,338	\$70,814	\$61,989	\$57,559	\$48,018	\$9,779	\$1,276,377	London Insolvency
Orion N.M.	\$793	\$2,062	\$1,315	\$889	\$641	\$573	\$594	\$569	\$540	\$528	\$422	\$90	\$9,018	London Insolvency
Phoenix Assurance	\$82,558	\$214,794	\$198,968	\$92,573	\$66,740	\$59,705	\$81,380	\$58,858	\$55,995	\$53,703	\$45,955	\$9,129	\$935,344	Signatory
River Thames	\$79,385	\$204,266	\$124,853	\$84,385	\$60,837	\$54,424	\$56,346	\$52,640	\$46,762	\$44,498	\$35,564	\$7,556	\$853,498	Signatory
Royale Belge	\$1,327	\$3,334	\$2,126	\$1,277	\$1,231	\$1,167	\$1,204	\$809	\$965	\$1,447	\$1,184	\$247	\$26,969	Signatory
Southern American	\$6,849	\$23,022	\$14,880	\$9,922	\$7,153	\$6,399	\$6,568	\$6,300	\$5,996	\$5,745	\$4,595	\$977	\$100,207	London Insolvency
Sovereign Marine & General	\$1,100	\$7,875	\$13,321	\$9,003	\$16,145	\$6,813	\$5,164	\$7,453	\$9,451	\$9,692	\$2,192	\$2,134	\$97,480	London Insolvency
Sphere	\$2,195	\$5,710	\$3,841	\$2,461	\$1,774	\$1,587	\$1,646	\$1,575	\$1,496	\$1,376	\$929	\$134	\$23,443	Signatory
St. Katherine	\$71,469	\$192,274	\$120,785	\$81,035	\$58,855	\$52,651	\$116,829	\$139,127	\$132,758	\$127,323	\$108,788	\$24,039	\$1,227,550	Signatory
Storebrand	\$240	\$1,763	\$794	\$537	\$2,498	\$522	\$57	\$169	\$268	\$403	\$1,784	\$503	\$8,518	Signatory

Privileged & Confidential

The Kenasia Group, LLC  
March 1, 2007

CONFIDENTIAL  
DANA-0050267



Dana Corporation:  
Allocation by Subscriber\*

Subscriber	2007	2008	2009	2010	2011	2012	2013-2014	2015-2016	2017-2018	2019-2020	2021-2022	2023-2026	Total	Subs
Stronghold	\$226,497	\$596,881	\$378,413	\$255,758	\$201,271	\$166,382	\$211,905	\$223,977	\$214,004	\$206,125	\$174,482	\$37,935	\$2,191,809	Signatory
Swiss Union General	\$56,372	\$150,245	\$104,519	\$70,842	\$50,929	\$46,590	\$47,114	\$4,228	\$46,880	\$40,862	\$32,470	\$6,901	\$699,320	Signatory
Taino Marine & Fire	\$600	\$4,409	\$1,986	\$1,342	\$6,239	\$1,306	\$142	\$433	\$670	\$1,007	\$4,410	\$1,257	\$23,791	Signatory
Terra Nova	\$27,045	\$70,364	\$44,869	\$30,326	\$21,863	\$19,559	\$20,037	\$19,228	\$18,306	\$17,519	\$14,012	\$2,978	\$306,105	Signatory
Tokio Marine & Fire	\$899	\$6,813	\$2,979	\$2,013	\$5,359	\$1,959	\$214	\$635	\$1,004	\$1,511	\$8,616	\$1,886	\$35,617	Signatory
Turngum	\$176,626	\$459,537	\$293,034	\$198,053	\$148,414	\$120,204	\$166,606	\$175,917	\$167,840	\$160,962	\$126,668	\$27,345	\$2,230,906	Signatory
U.M.A.	\$56,612	\$147,288	\$93,971	\$63,479	\$45,765	\$40,941	\$42,443	\$40,623	\$39,580	\$18,875	\$14,708	\$3,126	\$606,160	Signatory
Union American Ins. Co.	\$60,108	\$156,383	\$99,721	\$67,399	\$46,591	\$43,469	\$44,533	\$42,733	\$40,686	\$36,535	\$31,142	\$6,618	\$680,317	Signatory
United Standard	\$366	\$932	\$607	\$410	\$296	\$265	\$274	\$263	\$249	\$244	\$195	\$41	\$4,161	London Inshwenta
Unknown	\$10,661	\$27,736	\$17,686	\$11,954	\$8,618	\$7,710	\$7,918	\$7,594	\$7,226	\$6,255	\$5,539	\$1,177	\$120,745	London Inshwenta
Walbrook	\$63,023	\$181,134	\$110,523	\$74,699	\$64,371	\$48,066	\$114,449	\$144,994	\$136,950	\$134,083	\$128,980	\$29,341	\$1,233,569	London Inshwenta
Winfietur Swiss	\$14,862	\$46,525	\$27,237	\$18,409	\$17,794	\$12,250	\$55,598	\$75,177	\$72,032	\$69,497	\$66,193	\$15,009	\$490,381	Signatory
World Auxiliary	\$25,820	\$65,655	\$38,164	\$25,794	\$18,596	\$16,636	\$17,209	\$15,583	\$13,953	\$12,578	\$10,049	\$2,138	\$282,171	Signatory
Yasuda Fire & Marine	\$4,031	\$10,487	\$6,687	\$4,520	\$3,258	\$2,915	\$55,373	\$75,733	\$72,144	\$68,864	\$55,175	\$11,726	\$371,031	Signatory
<b>Total</b>	<b>\$6,845,214</b>	<b>\$17,988,602</b>	<b>\$11,418,883</b>	<b>\$7,717,694</b>	<b>\$5,887,470</b>	<b>\$5,004,540</b>	<b>\$6,010,000</b>	<b>\$6,195,868</b>	<b>\$5,910,588</b>	<b>\$5,519,515</b>	<b>\$4,639,328</b>	<b>\$1,006,141</b>	<b>\$84,144,021</b>	
<b>Total Signatory**</b>	<b>\$2,052,505</b>	<b>\$5,417,458</b>	<b>\$3,479,924</b>	<b>\$2,351,981</b>	<b>\$1,803,945</b>	<b>\$1,525,935</b>	<b>\$1,887,112</b>	<b>\$1,974,228</b>	<b>\$1,893,653</b>	<b>\$1,763,989</b>	<b>\$1,486,229</b>	<b>\$322,607</b>	<b>\$25,959,797</b>	
<b>Total London Inshwenta</b>	<b>\$632,576</b>	<b>\$1,727,412</b>	<b>\$1,078,959</b>	<b>\$729,265</b>	<b>\$619,993</b>	<b>\$478,211</b>	<b>\$649,998</b>	<b>\$717,378</b>	<b>\$688,243</b>	<b>\$649,009</b>	<b>\$618,717</b>	<b>\$140,352</b>	<b>\$6,731,151</b>	
<b>Total Committed***</b>	<b>\$4,159,133</b>	<b>\$10,843,532</b>	<b>\$6,859,959</b>	<b>\$4,636,449</b>	<b>\$3,463,532</b>	<b>\$3,000,373</b>	<b>\$3,472,891</b>	<b>\$3,504,251</b>	<b>\$3,326,650</b>	<b>\$3,106,516</b>	<b>\$2,534,382</b>	<b>\$543,182</b>	<b>\$49,453,073</b>	
<b>Total</b>	<b>\$6,845,214</b>	<b>\$17,988,602</b>	<b>\$11,418,883</b>	<b>\$7,717,694</b>	<b>\$5,887,470</b>	<b>\$5,004,540</b>	<b>\$6,010,000</b>	<b>\$6,195,868</b>	<b>\$5,910,588</b>	<b>\$5,519,515</b>	<b>\$4,639,328</b>	<b>\$1,006,141</b>	<b>\$84,144,021</b>	

\*H Rule does not apply; coverage block extended immediately to 6/1/1985.

\*\*Dana Retrospective Premium payable on 1976-1984 primary policies. Amount paid (if any) by primary carrier is included in the paying signatory category.

\*\*\*Included in "Committed" category are amounts allocated to Equities and Excess.

Privileged & Confidential

The Kensia Group, LLC  
March 1, 2007

CONFIDENTIAL  
DANA-0050268





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Leslie Delagran is a Vice President at The Kenesis Group, LLC, specializing in the economic and financial evaluation of asbestos, environmental and mass tort claims, development of future claims scenarios, and allocations to insurance coverage.

### Experience

Ms. Delagran has over 20 years of experience in economic and financial analysis. Since 1996, she has worked almost exclusively in the area of insurance cost recovery for asbestos and environmental claims. She has been the lead economist in developing methodologies for forecasting future asbestos claims and environmental costs, which have been used as the basis of numerous settlements with carriers. She has worked with clients in the oil and gas, utility, pulp and paper, pharmaceutical, railroad and manufacturing sectors.

Ms. Delagran takes the lead in developing demands for Kenesis clients in settlement discussions with London and domestic carriers, and manages project teams in preparing submissions to insolvent London Market subscribers. She also manages the data, policy, and allocation analysis required by carriers in support of claims. Recently her work has included analytical support for policyholders in the context of bankruptcy.

Prior to joining Kenesis, Ms. Delagran was a Senior Manager with the litigation support practice of Arthur Andersen, where she developed and negotiated insurance settlements for long-tail environmental and human health liabilities on behalf of large policyholders.

Previously, she worked as an economic consultant to the international trade practice of Hogan & Hartson in Washington, D.C., and as Manager of Trade Policy with the Government of Ontario.

### Education

1991 - Master of International Public Policy, Johns Hopkins University  
1981 - M.A. Economics, University of Toronto  
1979 - B.Sc. (Econ), London School of Economics